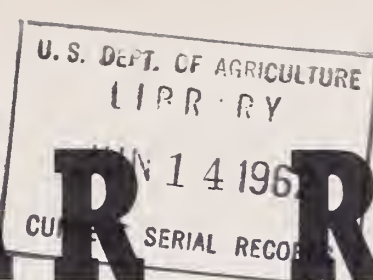


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SUGAR REPORTS

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE
SUGAR DIVISION

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MARKET REVIEW

Deliveries of sugar for U. S. consumption through May 19, 1962 totaled 3,241,000 tons, raw value, just 16,000 tons more than for the same period last year. The January-June quota would permit beet sugar marketings of about 55,000 tons per week during the six remaining weeks. This would be about mid-way between the 59,000 tons per week last year and 51,000 tons per week in 1960 for the corresponding periods. Cane sugar deliveries for the first 20 weeks of 1962 have averaged about 4,000 tons larger than in 1961 but have been about the same as those of 1960.

With continuation of the same relationship to a year ago, as has prevailed so far this year deliveries through June 30, 1962, would amount to about 4,550,000 tons. Quota stocks of sugar on that date are expected to be substantially greater than the relatively high level of such stocks at the beginning of 1962 and very much larger than the levels of a few years ago. The market has reflected a firm demand for raw sugar.

At the beginning of May, the spot price of raw sugar at New York was 6.37 cents per pound, from May 17 to May 23 it was 6.45 cents per pound and on May 24 it was 6.47 cents. For the period May 1 through 24 the average price was 6.42 cents, the same as the January-April average price. For the corresponding period last year, the spot price average was 0.10 cent less or 6.32 cents. In the northeast market the quoted wholesale price of refined cane sugar averaged 9.51 cents per pound for the period January 1 - May 24, 1962. The same average quotations prevailed during the comparable period in 1961.

New York refiners announced on May 8 that they would take day to day business in the New York cartage area at 9.30 cents per pound through May 23 and at 9.35 cents through June 29. Otherwise the quoted prices for refined cane sugar remained at 9.60 cents per pound in the Northeast territory, 9.20 cents in the Southeast and 9.10 cents in the Gulf.

In the Chicago-West territory the quoted price was 9.20 cents for refined cane sugar and 9.00 cents for beet sugar. The direct delivered price in the Chicago switching district was 9.60 and 9.40 cents for cane and beet sugar, respectively. Eastern beet sugar is quoted at 9.05 cents per pound. Beet sugar is quoted at 9.00 cents per pound in the Pacific Coast and Intermountain states. Cane sugar is quoted at 9.00 cents in the Pacific Coast but at 9.10 cents in the Intermountain states.

The April decline in world prices of raw sugar as reported by the New York Coffee and Sugar Exchange culminated in a drop of 7 points on May 1 to 2.50 cents per pound f.o.b. and stowed Caribbean ports including Brazil. From that point the market improved to 2.68 cents for May 14 through May 22, falling back to 2.60 cents by May 24.

Weather conditions in some major production areas so far this year have not been favorable. On the other hand, the possibility of reexports of Cuban sugar from the Socialist Bloc countries continues to overhang the market. Trade reports now put the Cuban crop at about 4,300,000 Spanish long tons. All mills were expected to complete grinding around May 20. A prolonged drought and the fact that little cane has been planted in the last two years cause some to estimate that there will be a further reduction in the Cuban crop next year.

U. S. DEPARTMENT OF AGRICULTURE
Office of the Secretary
SUMMARY OF PROPOSED SUGAR LEGISLATION
(Introduced as HR 11730-87th Congress 2nd session)

The Bill would extend the Act for five years to June 30, 1967, and would become effective January 1, 1962, except for sections 5 and 10 which would become effective as provided in regulations implementing such provisions, or 60 days after enactment, whichever is earlier.

The second section would provide that the Secretary in determining sugar requirements for each year would consider the relationship which would result between the price for raw sugar and the Parity Index as compared to the relationship between average raw sugar prices and the Parity Indexes for the period 1957 to 1959, inclusive.

Section 3 would increase the quotas for domestic sugar producing areas at current levels of sugar consumption (9.7 million tons) about 625,000 tons and would provide that those areas supply 63 percent of increases in consumption as compared to 55 percent under current legislation. The quotas for each of the domestic sugar producing areas at the sugar requirements level of 9.7 million tons under current legislation and under the recommended Bill are as follows:

<u>Area</u>	<u>Present Legislation</u>	<u>Recommendation</u>
	(Short tons, raw value)	
Domestic beet sugar	2,110,627	2,650,000
Mainland cane sugar	649,460	895,000
Hawaii	1,177,936	1,110,000
Puerto Rico	1,231,682	1,140,000
Virgin Islands	<u>16,795</u>	<u>15,000</u>
Total	5,186,500	5,810,000

The domestic areas' 63 percent of market growth or a little more than 100,000 tons per year would be prorated to the two mainland areas. In a year immediately following a year when production in Hawaii, Puerto Rico, or the Virgin Islands exceeded the sum of its basic mainland and local quota any of those areas would have its quota increased to the extent of such excess production but not in excess of the quota that would have been established for such area under the provisions of the Act prior to this amendment. Any such increases for the offshore domestic areas would serve to reduce the quota for foreign countries other than the Republic of the Philippines.

Foreign importations would be divided into two quotas, one for the Republic of the Philippines of 952,000 tons, *tel quel*. and the other consisting of the balance of requirements prorated among other foreign countries which have quotas (prorations) under the current Act. The proposed proration is based on their quotas under current legislation at the requirements level of 9.7 million tons except Cuba's share has been reduced to accommodate the quota increases for domestic areas and the five smallest country prorations are continued in the same fixed amounts as at present. When we are not in diplomatic relations with Cuba or any other country, the sugar represented by that country's proration would be authorized for acquisition subject to payment of a fee from foreign countries other than those excluded by the President in the national interest or those with which we do not maintain diplomatic relations.

Section 4 would provide that a deficit in the quota for any domestic area or foreign country would be prorated, in accordance with their basic quota or prorations, to quota countries with which we maintain diplomatic relations and which are able to fill such deficit. If these countries cannot fill all of such deficit, the remainder would be apportioned by the Secretary to non-quota countries with which we are in diplomatic relations, except that when we are not in diplomatic relations with Cuba or any other quota country, that remainder of the deficit would be authorized for acquisition, subject to payment of a fee from foreign countries.

Section 5 would provide that quotas apply to the sugar content of any sugar-containing product or mixture which does not have a recent history of importation unless the Secretary finds that importation will not substantially interfere with attainment of the objectives of the Act. The Secretary could also apply quotas to the sugar content of any sugar-containing product or mixture that has a history of importation in recent

years if he finds that importation of the product or mixture will substantially interfere with attainment of the objectives of the Act.

Section 6 would provide direct-consumption sugar limitations substantially similar to those in present legislation for Hawaii, Puerto Rico, the Republic of the Philippines, and foreign countries with quota prorations of not more than 10,000 tons. It would limit (1) to 250,000 tons the direct-consumption sugar which may be entered within the proration for Cuba when that proration is operative and (2) to 1.36 percent of the quota for foreign countries other than the Republic of the Philippines the direct-consumption sugar which may be entered within the prorations of such foreign countries (other than Cuba) which have prorations of more than 10,000 tons.

Section 7 would provide a small liquid sugar quota to permit the importation of sirup of cane juice of the type of Barbados molasses.

Section 8 would prohibit the importation into the Virgin Islands of any sugar not produced in domestic areas and under section 9 only sugar produced in the Virgin Islands would be eligible to be brought into the continental United States within the quota for Virgin Islands.

Section 10 would provide that a fee be paid the United States as a condition for importation of any sugar acquired in replacement for that which would have been within the proration for Cuba or any other foreign country except for the fact that we may not be in diplomatic relations. The amount of the fee on such sugar would be established by the Secretary and adjusted from time to time to approximate the amount by which the domestic sugar price at a level which achieves the objectives of the Sugar Act would exceed the foreign market price for such sugar. It also would provide that a fee be paid the United States as a condition for importation of sugar within the quota for foreign countries other than the Republic of the Philippines, by all countries having prorations of such quota, at 20, 40, 60, 80 and 100 percent of the full fee (referred to in the preceding sentence) in 1962, 1963, 1964, 1965, and after 1965, respectively.

Section 11 would provide that in any year when production is restricted in the beet sugar area, a national reserve of not more than the acreage required to yield 50,000 tons of sugar be assigned to farms on a fair and reasonable basis without regard to any previous production history

for the purpose of making acreage available for expansion of the beet sugar industry. That section would also clarify the circumstances under which the Secretary would establish grower proportionate shares and the Secretary's authority to consider the sugar beet production history of farm operators in lieu of or in addition to the sugar beet production history of land units, in regions where the Secretary determines that beet production is organized generally around persons rather than units of land and where personal history was generally used prior to 1962.

Section 9 except as referred to earlier and sections 12 through 17 would provide technical changes consistent with the substantive changes noted above.

STATEMENT OF ORVILLE L. FREEMAN
SECRETARY OF AGRICULTURE

HEARINGS ON SUGAR LEGISLATION BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE
May 16, 1962

Mr. Chairman and Members of the Committee:

For the record, my name is Orville L. Freeman and I am Secretary of Agriculture. I appreciate the opportunity of appearing before you this morning on this very important matter of sugar legislation. It is, of course, well known to you gentlemen that there are many farmers in this country who would like to begin producing sugar beets or sugarcane and there are many others who would like to maintain their present operations or to expand somewhat. Ever since it became clear that our principal foreign supplier, Cuba, was no longer a dependable source of supply, foreign and domestic producers alike have wanted to market the sugar formerly supplied by Cuba. We have had two short term extensions of the Act because of hesitation to make prematurely, perhaps, the organic changes in sugar legislation called for by the changed situation in Cuba.

One of the principal features of the sugar program over the years has been that it has enabled sugar producers to carry on with the foreknowledge of the conditions under which sugar would be marketed for a reasonable time into the future. It is now time to return to that order of things and to regain the advantage of the continuing and substantial im-

provements in production efficiency engendered by major private investment in research and in facilities which is promoted by assured conditions of production and marketing.

Accordingly, we are recommending that the Sugar Act be extended for five years through June 30, 1967, and that the domestic areas obtain on a permanent basis the right to supply a substantial portion of the sugar not obtained from Cuba. We recommend domestic quotas amounting to almost 60 percent of the present total market for sugar and furthermore that 63 percent of future market growth be assigned to the domestic areas. These changes would increase total domestic quotas about 625,000 tons or about 12 percent.

The desire to produce sugar crops has been most intense on the mainland. Accordingly, the proposed Bill provides quotas for the three off-shore domestic areas adequate for their present and near-term production potentials with provision for quota increases if justified by future production.

The quota for the mainland cane sugar area at the present level of consumption is increased more than 35 percent to 895,000 tons. The quota for the domestic beet sugar area is increased more than 25 percent to 2,650,000 tons. The domestic areas' 63 percent of market growth or a little more than 100,000 tons a year would go to the two mainland areas in ratio to their basic quotas, that is, about three-fourths to the beet sugar area and one-fourth to the cane area. In view of the need to replenish inventories, the quota for the domestic beet sugar area is sufficient to cover all of the sugar beets likely to be processed in existing factories plus an additional amount that would permit the entry of some additional localities of production.

There are many farmers located in localities where sugar beet factories do not exist who would like to produce sugar beets. The recommendation provides that whenever it becomes necessary to restrict the production of sugar beets, an acreage sufficient to yield up to 50,000 tons of sugar, about the amount needed to start a new factory, would be reserved each year from the usual allocations based upon past production history. This acreage would be distributed to farms in a locality where there is presently not a beet sugar factory or where there may be interest in establishing additional factory facilities. It would be available for assignment on a first-come, first-served basis upon an adequate showing by the interested persons in a locality that arrangements have

been made for production, processing and marketing to occur beginning in a specified year.

When any of the domestic areas is unable to fill its quota the deficit would be assigned to foreign importations rather than to other domestic areas. On the other hand, if production increases in the offshore domestic areas, foreign importation would be reduced sufficiently to enable the offshore domestic areas to market increased production up to the entitlement that they would have had if the current law had been extended without amendment. These arrangements will stabilize the marketing opportunities of each of the domestic areas.

A quota would be established for the Republic of the Philippines in the same amount as provided in current legislation which is consistent with the terms of the Philippine Trade Agreement, namely 952,000 tons, *tel quel*, or 980,000 tons, raw value. The terms of importation would be unchanged. The balance of our requirements of 2,910,000 tons at the current level of consumption would constitute a quota for other foreign countries, 88.85 percent of such quota or 2,586,000 tons would be prorated to Cuba to become available to that country when we resume diplomatic relations. In the meantime, that quantity of sugar would be imported on a first-come, first-served basis from any country with which the United States maintains diplomatic relations and which is not excluded by the President in the national interest. Importations of such sugar would be subject to the payment of an import fee approximately equal to the difference between the world market price for sugar and a domestic price at the level which would fulfill the objectives of the Sugar Act.

This change reserves for Cuba a market for a substantial quantity of its sugar crop when we resume diplomatic relations. Meanwhile, it assures supplies to our consumers because most of the cane sugar exporting countries of the world will compete to furnish this important part of our total supplies -- about one-quarter. It will open our market to friendly countries which would like to export sugar to us and it will avoid uneconomic expansion of sugar production in many nations of the world based solely on the hope to export to the United States at premium prices.

The balance of the quota for foreign countries other than the Republic of the Philippines would be prorated to the other countries which presently

have quotas, to be imported subject to payment of a fee graduated on a rising scale from 20 percent in 1962 to 100 percent in 1966 of the full fee referred to above. The proration of this quota to Cuba and the full duty countries assigns to each the percentage share in the quota for countries other than the Republic of the Philippines provided in the present law at the current rate of sugar consumption, except that Cuba's proration has been reduced sufficiently to accommodate the increases in domestic quotas.

Since July 1960 when we ceased importing sugar from Cuba, our cane sugar refining industry has been refining and marketing all but a minor portion of the 375,000 tons of refined sugar formerly imported from Cuba. This has compensated the cane sugar refining industry for their percentage loss of the total sugar market which stems from the fact that beet sugar marketings have been increasing at a faster rate than total market growth. The proposed amendment would retain without substantial change the direct-consumption limitations of the present Act except that the 375,000 ton limitation within the proration for Cuba would be reduced to 250,000 tons when we are in diplomatic relations with that country and eliminated completely at other times.

When the sugar within the Cuban proration is obtained from other countries subject to payment of the import fee, the Treasury would receive about \$130,000,000 a year of revenue based upon the spread between prices of sugar in the domestic and world market. Last year, the spread was a little less than \$50.00 per ton, currently it is somewhat larger. If relations are not resumed with Cuba, the quantity of sugar subject to the full fee would increase in later years and by 1966 the retention of the quota premium on all foreign sugar other than from the Republic of the Philippines would approximate \$155,000,000 a year.

Secretary Ball will testify on the foreign relations aspect of the import fee. From the standpoint of the sugar economy, I would like to say that the "so-called global quota" would restore security of supply to a degree we have not known since Cuba became a Communist country.

At present, this part of our total sugar supply -- about 2.5 million tons under the proposed bill - is broken up into a number of small compartments, each reserved for an individual country. A natural disaster in any one of them, a strike or other economic emergency, or a miscalculation as to production interferes with the flow of sugar from that source. This can no more be corrected quickly than it can be foreseen.

With a global quota, our refiners have many countries from which to obtain their supplies. If a stoppage occurs in the flow from one source, additional quantities are readily available elsewhere. The situation reverts in essence to what it was when Cuba maintained a large reserve available on short notice when and as needed. I have heard it said that the so-called global quota will adversely affect security of our foreign sugar supplies. In fact, for the reasons I have stated, the reverse is true.

I have also heard it said that the import fee system might cause a flood of sugar to appear in our ports at the beginning of a year or at some other time during the year. I believe that there need be no such fear. The very nature of the flexible import fee eliminates the danger. If the flow of such supplies increases unduly, it means that the world price of sugar is falling and the fee should and would be increased to compensate. On the other hand, if the flow of supplies wanes, it means that the world price of sugar is rising and the fee should and would be reduced correspondingly.

Sugar users would gain no price advantage through the use of the system, but they would have much greater assurance of supplies. On the other hand, domestic producers need not fear adverse effect upon their interests. They would continue to receive the income protection which is inherent in the sugar program. Furthermore, for the long pull the sugar program and the income protection imparted to our domestic producers by reason of that program would be on a sounder footing than it has been at any time since Castro came to power in Cuba.

Domestic producers would also be assured as to the volume of their marketings. Those in the offshore areas would have no practical limit upon their production during the term of the extension. In the mainland cane area, because of the vast expansion in Florida, where the number of sugar factories has increased from three prior to last year to the 11 which will grind cane for this crop, it may be necessary to restrict production of the 1963 crop. However, it is unlikely that it will become necessary during the period of the extension to reduce acreage below the approximately 445,000 acres growing this year, which by the way is about 85,000 acres more than the growing acreage for the 1961 crop which also was unrestricted.

As to the beet area, there were no acreage restrictions in 1961 and 1962 and in both years beet sugar factories with rare exceptions contracted

for all the acreage that their factories could handle. The market growth to be assigned to the sugar beet area of about 75,000 tons a year provides annual increases of 25,000 tons for old growers even if one new factory with an annual capacity of 50,000 tons comes into production during each of the years of the extension. In view of the need to replenish beet sugar inventories, it is questionable whether acreage restrictions would be needed in 1963. It is, of course, impossible to predict crops in future years or even for this year and it is also hard to forecast to what extent yields of sugar per acre will increase. However, the probabilities are that the acreage available for established growers will not be less than that planted in 1961 when acreage was not restricted and when there was an incentive for growers to plant as much as possible to obtain production history. The acreage planted this year, of course, will not be known for some time. It may turn out to be slightly higher than the 1961 acreage. If it becomes necessary in any year to restrict production, a hearing will be held and all interested persons will have the opportunity of submitting their views on all relevant matters, including the years to be included in the base period. Presumably most growers would be inclined to recommend a relatively short span of then recent years as the proper base.

I believe the recommended bill provides the changes that at this time are needed to bring the sugar program into alignment with the situation that now exists.

STATEMENT OF G. GRIFFITH JOHNSON
ASSISTANT SECRETARY OF STATE
BEFORE THE HOUSE COMMITTEE ON AGRICULTURE
May 16, 1962

Hearings on Sugar Legislation, H.R. 11730

Mr. Chairman and Members of the Committee:

My name is G. Griffith Johnson and I am Assistant Secretary of State for Economic Affairs. I appear before you today in support of H.R. 11730, a bill to amend and extend the Sugar Act for a period of five years. The Secretary of Agriculture has already outlined in some detail the provisions of the bill recommended for your favorable consideration, and to save your time, I shall not repeat those provisions or the reasons why they have the support of the Executive Branch.

As you well know, sugar legislation must take into account a large number of important interests. The Department of Agriculture has endeavored to put forward a bill which will serve the interests of sugar producers and consumers in the United States in the light of drastically changed circumstances in Cuba, formerly our principal foreign supplier. With your permission I will leave the provisions of the bill affecting the domestic industry to the testimony of the experts of the Department of Agriculture, and will confine my remarks to certain new features which primarily affect foreign countries supplying sugar to the United States.

The most important changes in this respect are contained in Section 10 of the bill. This provides for the levy of an import fee on sugar entering the United States from foreign countries other than the Republic of the Philippines. This fee would be approximately equal to the amount by which our domestic sugar price exceeds the foreign market price for sugar, except that for countries now having basic quotas, the fee would be imposed in five equal steps over the life of the Act. It would eliminate substantially all this subsidy or price incentive which now stimulates foreign countries to struggle so desperately for a sugar quota in the United States market. In the absence of this price subsidy, the need for individual country quotas disappears. Within the limitations of an over-all global quota, the market can then be opened to all friendly countries on a completely non-discriminatory basis. The funds collected from the import fee would be deposited in the treasury of the United States. On the basis of last year's price spread, collections would amount to about \$130 million on the Cuban quota alone. The funds would be available for later appropriation, if the Congress should decide these amounts are necessary to supplement the substantial programs now under way to promote economic and social development in Latin America.

The removal of the price incentive, or so-called quota premium, would represent a sharp departure from the policy that has prevailed since 1934. The break with Castro's Cuba has ended a unique trading arrangement which had been in effect over a long period of years. We now have an opportunity before new vested interests become entrenched to eliminate basically unsound elements in our sugar import policy. This opportunity may not occur again. The Administration has given this matter the most serious appraisal, and has come to the conclusion that the benefits of the quota premium which formerly accrued to Cuba should not be extended to other foreign countries. The Administration's decision to recommend this drastic change in our present sugar policy was taken for the following reasons:

We see no justification for continuing this unique arrangement to subsidize foreign sugar producers in order to assure adequate sugar supplies. The United States is heavily dependent upon foreign sources for a wide range of industrial raw materials and foodstuffs, yet has not found it necessary to subsidize foreign production to assure our foreign requirements are met.

Interruption of sugar trade with Cuba provides an opportunity to revise a system which no longer serves its original purpose. Cuba had a significant economic interest in the price premium as its quota was over 3 million tons. Aside from the Philippines, the vested interests of all other countries -- 14 in number -- amount to only 280,000 tons, and the total quota premium to these 14 countries in the last normal year -- 1959 -- amounted to about 13 million dollars. If the premium is phased out over a five-year period, these countries should be able to adjust without serious difficulty.

We have aid programs today to direct resources on the basis of need. Aid through a sugar program does not assure that resources are going to the right places, at the right time, and in the right amounts. In the absence of any objective standards that can be consistently applied, quotas must be doled out on a basis that need bear little relation to needs or to efficiency in production. The temporary allocations made over the past two years to replace Cuban supplies have encouraged sugar expansion in some countries -- not because of any inadequacy of world sugar supplies -- but solely in anticipation of receiving permanent quotas in the United States on a preferred basis.

The need to allocate valuable quota privileges among competing foreign claimants creates the most difficult political problems. Virtually every cane sugar producing country in the world and many of the beet sugar producing countries in Western Europe are seeking quotas. In presenting and carrying out a long-term sugar policy, the Administration should not take a position favoring some friendly countries over others. We make no friends in this process. Even those who receive a quota complain of its inadequacy and criticize us for favoring others with larger quotas. H.R. 11730 eliminates the necessity of choosing among the numerous claimants for the Cuban quota.

The import fee can contribute importantly to the improvement of our balance of payments position. We cannot ignore this very important consideration at a time when we are searching for every possible means to alleviate this problem. Initially at least, the United States will recapture sizable amounts of funds now going to foreign countries. Although these amounts subsequently might be appropriated for economic assistance to Latin America, under existing procurement policies, we can be assured almost all such aid will be spent in the United States.

Finally, we must be prepared for the day when Cuba returns to the West. At that time, Cuba must have the opportunity to sell sugar in the United States market. If we continue to distribute the Cuban quota with the premium price to other countries, vested interests in the new and larger quotas would become entrenched. It would be extremely difficult to reduce these quotas so as to provide a market for Cuba's major export commodity. It also would provide Castro with a persuasive argument that the West has deserted the Cuban people and that their economic future lies with the Communist bloc. Making the Cuban quota available now to all friendly countries on a non-discriminatory basis would diminish the build-up of vested interests and still provide Cuba the opportunity to re-enter our market.

I am informed by sugar experts of the Department of Agriculture that putting our sugar procurement on a global basis instead of relying on country quotas would introduce a needed flexibility and give us greater assurance of supplies. This feature they will undoubtedly explain at the appropriate time. In any event, the Department of State believes there are overriding foreign policy reasons for abandoning the present system of extending the quota premium to foreign countries. We therefore strongly support Section 10 of this bill.

CHANGES AND CHALLENGES IN SUGAR

An address by Lawrence Myers, Director, Sugar Division,
Agricultural Stabilization and Conservation Service, U.S.
Department of Agriculture, before Sugar Industry Technicians,
Inc., New York City, Monday, May 14, 1962

Mr. Toastmaster, members and guests of Sugar Industry Technicians, Inc.:

At the outset I want to thank you for inviting me to address you this evening. It is an honor to have one's name added to your list of speakers. It is a privilege to talk to your group.

The members of your association have made notable contributions to the sugar industry. You have harnessed many of the ramified forces of science and have put them to work to develop a better industry. You have converted the ancient sugar presses and boiling pots into the miracle plants of today. In the course of your work you have developed a product of unexcelled perfection; you have freed workers in sugar factories from drudgery. By freeing workers from menial tasks and by increasing their productivity you have enabled them to enjoy higher standards of living and the finer things of life.

Although the purpose of your annual meeting is to advance sugar technology toward higher and more distant goals, I know that your group is concerned also with the broad economic changes and challenges in the sugar world.

The greatest change of recent years in world sugar has been Cuba's fall into the Communist orbit. Including Cuba's sugar, Communist countries now produce roughly 30 percent of the world's sugar. Moreover, the Soviet Union and other Communist countries have undertaken programs for the expansion of their sugar production.

In this Twentieth Century Ice Age called the "Cold War" such major changes in the sugar world demand attention from the standpoint of international competition. Therefore, let us examine these developments in the Communist world to determine the extent to which they constitute a threat to sugar producers of the free world.

1. Certainly 30 percent of the world's sugar production constitutes an important segment of total supplies. It should not be assumed, however, that Communist countries are completely free to withhold supplies or to dump them on the market for the sole purpose of harassing producers and consumers of the free world. Communist countries still produce less than one third of the sugar of the world and they have more than one third of the world's population. If consumers in Communist countries were to be given average per capita supplies equal to those of the free world, therefore, there would be no Communist supplies for export.

2. The production and processing of sugar in most countries is a small concentrated industry when compared with such crops as wheat and cotton. It is always possible for a dictatorship to concentrate on a particular objective, such as sugar production, and to achieve success in that project even though it comes at the expense of other parts of the country's economy. However, by the same token it would have been possible for the Soviet Union, by the expenditure of sufficient sums, to have created a prosperous-appearing Cuba. Certainly they have not been generous with Cuba and it should not be assumed that they would wish to squander their limited agricultural resources on unnecessary developments elsewhere.

3. The Soviet Union and other Communist countries have purchased huge quantities of Cuban sugar through barter programs with very little cash outlay. Without doubt such low cost supplies constitute a threat to the world sugar price structure. Fortunately, however, to date reexports from the Soviet Union and Red China appear to have been comparatively small. Naturally the European satellite countries, which are important sugar exporting countries, must be expected to reexport any Cuban sugar they import. Although the existence of low cost supplies in Communist hands must be recognized as a potential threat to the world market, we should also recognize that it may be cheaper for the Soviet Union to consume such sugar than to further expand their own production, if they believed in stable Cuban supplies. Certainly Red China could con-

sume vastly larger supplies than it has been able to procure. For the longer perspective, it must be questioned whether Cuba can continue indefinitely to subsidize other Communist countries through the sale of sugar under barter programs at disastrously low prices.

4. Sales policies and practices of Communist countries have given rise to considerable misapprehension in the markets of the world. Surely one would not wish to dismiss the danger that Communist countries will sell as well as buy for political purposes. Yet, it is not clear that they would deliberately injure themselves by intentionally selling below the market in the hope that they might incidentally injure others as well.

So far Communist price cutting has been of a different nature. Repeatedly during the past year, the European satellite countries have sold sugar at what appeared to be absurdly low prices. On the basis of the record to date it would seem that selling ineptitude on the part of satellite countries would constitute the most important Communist threat to the world sugar markets.

Now let us turn to a more fundamental matter. Sugar is an agricultural product. In weighing the potential competition of Communist countries in sugar, therefore, it is pertinent to note the many failures in their agricultural programs. Agricultural surpluses are confined to the capitalistic countries. Neither Communism nor Socialism have found any agricultural substitute for the motive power of the private initiative of free enterprise.

Now let us turn specifically to sugar production. I doubt that there is an example anywhere in the world that brings into sharper focus the great difference in agricultural productivity under Communism and under free enterprise than that afforded by sugar production in Germany. For centuries before World War II East Germany was, as you know, the great agricultural area of that country. For the years 1935 to 1939 East Germany's sugar production averaged 979,000 short tons. By 1960 its production had recovered to only 970,000 tons or not quite back to the pre-war average. In contrast sugar production in West Germany under the Federal Republic rose from a pre-war average of 610,000 tons to 2,155,000 tons in 1960, an increase of over 250 percent.

Finally, look at Cuba. Immediately after the Castro takeover he announced his so-called land reform program. The very program itself, as announced, showed the earmarks of a Communist operation rather than of true democratic, and reform of free enterprise. Shortly it became evident that the Castro Government was moving directly into all out Communism with little attention to the usual Communist preliminaries of phoney land redistribution prior to collectivization.

Although the Castro regime inaugurated a period of bad agricultural practices, changed practices in the sugarcane industry are reflected slowly. Moreover, Cuba was given a period of grace when well nigh perfect weather conditions resulted in a huge harvest last year.

This year bad farming practices, the loss of many technicians and incompetent management appear to be taking their toll. Trade reports indicate that the Cuban harvest this year will be a small one.

Before turning from the Cuban scene let us note recent Cuban marketing practices. It is well known that Cuba has lost its former market in the United States. It is not well publicized that Cuba's exports to other free world countries have shrunk. In 1961 when Cuba's exports exceeded 6,400,000 metric tons, nearly 4-3/4 million tons went to Communist countries. Less than 1,700,000 tons went to non-Communist countries.

Cuba exported no sugar to the United States and its exports to other free world countries were down 22 percent from those of 1958. During its first three years in power, therefore, the Castro Government gave up 69 percent of Cuba's previous free world markets.

Other exporters are now supplying the markets vacated by Cuba. The new suppliers will hold onto those markets to the death. It is futile for Cubans to hope that the present suppliers will give those markets back to Cuba without a struggle. If Cuba ever is to recover its lost markets it must do so through competition.

Let me emphasize that I am not urging a policy of complacency on the part of free world sugar producers toward Communist competition. Certainly so long as Communist sellers dump their sugar like so much ballast, free world sellers will be in danger of getting hit. The fact remains, however, that the free enterprise system has shown tremendous advantages over the Communist and Socialist systems in the field of

agriculture. Free world producers, therefore, have a vastly superior agricultural system to aid them in meeting Communist competition.

I think it is worth while to touch briefly on developments under the International Sugar Agreement.

Last year when Cuba had large supplies of sugar it exported 1,400,000 metric tons in excess of its quota under the International Sugar Agreement. Yet throughout the long weeks of negotiations in September and October in Geneva the Cuban delegation failed to disclose that Cuba was exporting without regard to its solemn treaty obligations. Moreover, throughout those negotiations and the negotiations in December, Cuba demanded a world export quota that would have exceeded any reasonable prospect of Cuba's ability to produce and export. In addition there were demands that other Communist countries be "compensated" in the form of additional world quotas for the markets they lost in the Soviet Union when that country turned from European satellite supplies to Cuban supplies. The result would have been freedom from meaningful controls for the Communist world. From various sources came warnings that unless the free world capitulated to these demands Communist sellers would start a price war and drive the price down to perhaps one cent per pound.

Fortunately the free world refused to capitulate to those threats. It permitted the export quotas to lapse. As you all know, the world price today is substantially above the 2-cent level that actually prevailed last December.

Now, however, when it appears that Cuba will be unable to continue to export to excess, one hears inquiries as to the possibility or advisability of reestablishing export quotas under the International Sugar Agreement. I think one is forced to answer such inquiries with two questions. One, what possible purpose would be served by establishing export quotas that would be observed by the world's largest exporter only at times when that exporter is incompetent or violating its quota? Two, why should free world producers restrict their own exports when the major effect would be to give Communist sellers a free hand in disposing of their limited supplies?

On the domestic front the legislative mills are starting to grind. Here, briefly, are the three major legislative issues and some of the forces and arguments behind them.

I. The issue of primary concern to domestic growers is the extent to which they will be permitted to participate in filling the requirements of our domestic market. The demand for a larger share of our market comes from the mainland areas and is a result of several causes. Domestic sugar prices remained relatively stable to slightly rising after the Korean fighting when the prices of other farm crops declined. Therefore, sugar prices have been high in relation to other farm products for several years. The relatively favorable prices for sugar crops and acreage controls on a number of alternative crops have created strong pressures for increasing the acreage of sugar crops. Closely associated with this has been an increase in the yields of sugar per acre of sugarcane and sugar beets. Accordingly, marketing quotas must increase progressively to provide outlets for sugar from a constant acreage.

Then too, mainland acreage has been expanded in the past two years as a result of shortfalls in the offshore areas. Drastic acreage reductions would be necessary in the mainland area if their marketing quotas were to be continued at the old levels.

In addition to this local situation our domestic growers observe what is happening to the Cuban quota. When domestic growers saw the Cuban quota reallocated to other producing areas, the domestic areas wanted their share.

To those who place first emphasis on the promotion of export-import trade such a further shift in the direction of national self-sufficiency needs to be carefully examined. This is understandable. Also understandable, however, is the fact that however much one may favor the expansion of international trade, it is futile to attempt to explain to a midwest farmer why he should have his acreage cut for the benefit of foreign growers who have received reallocations in excess of their highest hopes and prices equal to twice the world level.

II. The second major issue is the degree of restriction to be placed upon imports of refined or direct-consumption sugar. Naturally domestic refiners wish to eliminate foreign competition. Beet processors too, to the extent that they come into competition with foreign refined sugar, object to the low prices at which it sells. Refiners argue, moreover, that they need the additional volume to offset the effect of the larger prospective quota for the beet area. Without discounting these argu-

ments, more attention might well be given to the fact that cost advantages are not entirely on one side, and to the extent that foreign cost advantages do exist, it should be a rather simple matter to offset such differences with a tariff or import fee so that the domestic refiner would not be at a net disadvantage.

III. The third major issue, as you know, is the extent to which there will be an import fee and global quota or individual country quotas and premium prices to our foreign suppliers.

On February 15 I discussed this issue before the Sugar Club in this city. I hope you wont mind if I reassert the position I took then.

Since then it has been argued that a global quota would place this country and its friends at the mercy of Russia. It seems to me that quite the opposite is true. Obviously, to the extent that this country eliminates foreign country quotas and retains its freedom to go anywhere in the world it may desire for sugar, to that extent this country will strengthen its ability to meet any market manipulation the Soviets might attempt. Also, our buying on the world market under a global quota would result in a stronger and more viable world market. Finally, to the extent that the United States Treasury retains funds from import fees it will strengthen its ability to aid our foreign friends when they are in need. The loss of buying freedom through individual country quotas, the weakening effects on the marketing system and the dissipation of funds that could be used constructively for the general good are among the most powerful arguments against the present system.

It also has been argued that the substitution of a global quota for country quotas would permit someone to corner the market. Again the argument seems to run quite contrary to the facts.

The whole purpose and effect of country quotas is to divide marketings into segments that can be controlled. When a single country, such as Cuba, or the Philippines, has had sufficient quota and enough sellers to generate serious competition among them, such country has subdivided its United States quota among its producers. In this manner each recipient is given a monopoly on his share of our market. The safeguard, of course, has been the large Cuban supplies and the readiness of the Department of Agriculture to increase total quotas.

Clearly no one man or group of men can corner all the sugar in the world. It is exactly for that reason that it would be safer under present conditions to buy on a free world market than to buy under a system of small country quotas.

Let us close with a few observations that should be of concern to this country.

1. Regardless of the action this country takes on foreign quotas it will not please foreign suppliers. It would not be possible to meet in full the quota demands of foreign producers unless this country had the ability to increase foreign quotas immediately by around twice the old Cuban quota and to continue to increase such quotas as rapidly as premium prices increase foreign production.

2. Our Government has learned by experience beginning with the Federal Farm Board that it cannot successfully support domestic agricultural prices at high levels unless it controls domestic production. Today our foreign suppliers appear to be expanding production rapidly. We can keep such increased production out of our markets but we cannot prevent it from affecting world prices. Neither can we keep others from holding us responsible for its existence. Will the United States Government attempt to support prices at premium levels with uncontrolled production for foreign producers, something it cannot afford to do for its own producers?

3. When we are all through deciding upon the extent to which our various supplier groups are to be benefitted under the sugar program, we must make certain that it will assure adequate supplies of sugar to domestic consumers at all times. That is the real purpose of the sugar industry and the essential result that a sugar program must achieve.

"INVISIBLE" INVENTORIES AND MOVEMENTS
OF SUGAR IN 1961 WITH COMPARISONS

Wholesalers, retailers and industrial users are estimated to have held 375,000 short tons of sugar, raw value, in inventory on December 31, 1961, about the same tonnage as a year earlier. Industrial users decreased their inventories about 14,000 tons; wholesalers' and retailers' inventories increased by about 9,000 and 5,000 tons, respectively. Among the industrial users the largest decrease, about 16,000 tons, was in inventories of beverage producers; confectionery manufacturers decreased their inventories by about 8,000 tons. The non-food industries increased their inventories by about 6,000 tons, and the canning and allied trades by about 2,500 tons. These estimates and the detail shown in table 1 are from final tabulations of the annual sample survey made by the Census Bureau, U. S. Department of Commerce, for the Sugar Division, Agricultural Stabilization and Conservation Service, U. S. Department of Agriculture. They are based on a sample which was revised during 1958.

These data do not include sugar inventories or sugar received directly from primary distributors by public eating places, institutions, governmental agencies, or miscellaneous users of sugar.

Table 1. - Wholesalers, retailers and industrial users: Estimated sugar inventories and movements.^{1/}

Type of Activity	Inventories December 31			Receipts		Deliveries or Use ^{2/}	
	1959	1960	1961	1960	1961	1960	1961
	Short tons, raw value						
Wholesale	69,862	67,261 ^{3/}	76,877	2,729,638 ^{3/}	2,740,717	2,732,239	2,731,101
Retail	93,337 ^{3/}	89,404 ^{3/}	94,776	3,023,378 ^{3/}	2,968,745	3,027,311	2,963,373
Industrial Users	205,008	217,373 ^{3/}	203,118	5,710,041 ^{3/}	5,735,544	5,697,676	5,749,799
Total ^{4/}	368,207 ^{3/}	374,038 ^{3/}	374,771	11,463,057 ^{3/}	11,445,006	11,457,226	11,444,273
<u>Industrial Users</u>							
<u>Detail</u>							
Bakery and allied products	46,770	46,009	47,392	1,731,517	1,720,183	1,732,278	1,718,800
Confectionery and related products	44,964	42,132	34,026	986,821	1,029,676	989,653	1,037,782
Ice cream and dairy products	11,453	11,611	11,766	455,987	462,655	455,829	462,500
Beverages	72,903	85,873	69,391	1,661,508	1,632,188	1,648,538	1,648,670
Canned, bottled and frozen foods, jams, jellies, and preserves	17,253	13,783 ^{3/}	16,254	718,926 ^{3/}	738,227	722,396	735,756
All other foods	2,371	2,841	3,201	86,201	78,991	85,731	78,631
Non-foods	9,294	15,124	21,088	69,081	73,624	63,251	67,660
<u>Sampling variability of the estimates^{5/}</u>							
<u>Percent</u>							
Wholesale	5.3	3.7	5.2	4.0	4.1		
Retail	3.8 ^{6/}	3.8 ^{6/}	3.8 ^{6/}	3.6 ^{6/}	3.6 ^{6/}		
Industrial Users	1.9	2.1	2.4	2.6	3.0		
Total	1.8 ^{6/}	1.6 ^{6/}	1.9 ^{6/}	1.9 ^{6/}	2.0 ^{6/}		
<u>Industrial Users</u>							
<u>Detail</u>							
Bakery and allied products	5.2	5.6	4.9	3.6	3.2		
Confectionery and related products	3.9	4.4	6.1	5.2	5.7		
Ice cream and dairy products	7.0	7.9	7.1	3.8	4.6		
Beverages	2.5	2.6	4.2	7.3	6.7		
Canned, bottled and frozen foods, jams, jellies, and preserves	7.3	8.0	7.5	7.3	8.6		
All other foods	11.1	14.0	16.6	22.5	24.1		
Non-foods	2.5	2.0	1.1	4.9	3.8		

^{1/} Estimates are based on a sample and are subject to sampling variability and thus are not expected to be in exact agreement with complete census taken with the same enumeration procedure. ^{2/} Computed from receipts and changes in stocks. ^{3/} Revised. ^{4/} Total receipts and deliveries or use includes duplication since wholesalers deliver sugar to retailers and industrial users. ^{5/} Sampling variability of the estimates reflect the chances of about 2 out of 3 that the estimates in the sample would differ from the results of a complete enumeration by less than the percentages shown. ^{6/} Computed variability for retailers not available; assumed to be the same as the variability in the 1958 survey.

ADMINISTRATIVE ACTIONSDate announcedNature of action

April 24,
1962

Public hearing on fair prices for the 1962 Florida sugarcane crop and on whether the wage determination applicable to fieldworkers -- which became effective Aug. 22, 1961 -- should be continued or amended.

The hearing will begin at 10 a.m. May 9, 1962 in the Community Building at Canal Point, Canal Point, Fla. (See April 27, 1962 Federal Register).

April 24,
1962

Signing of a commodity agreement with the Government of Brazil in which Brazil agrees to buy additional U. S. wheat not later than Dec. 31.

This agreement permits the release for consumption in the United States of the 50,000 short tons of non-quota sugar allocated to Brazil, as announced by the Department on April 2 (press release USDA 1235-62). The signing was in Washington, D. C., by the U. S. Department of State and the Government of Brazil.

April 25,
1962

Revision of sugar marketing allotments for processors in the Domestic Beet Sugar Area and Puerto Rico to give effect to the increased quotas for those areas announced April 13, 1962 (press release USDA 1398-62). (See April 28, 1962 Federal Register).

ADMINISTRATIVE ACTIONS

<u>Date announced</u>	<u>Nature of action</u>
May 9, 1962	Determination of a deficit of 50,000 tons in the quota for Hawaii and the reallocation of this quantity to the Domestic Beet Sugar Area, Puerto Rico and the Virgin Islands. This reallocation increases the quota for the Domestic Beet Sugar Area by 31,417 to 1,094,579 tons, the quota for Puerto Rico by 18,334 to 638,755 tons, and the quota for the Virgin Islands by 249 to 8,710 tons. (See May 15, 1962 Federal Register).
May 21, 1962	Determination that fair and reasonable rates for processing 1962-crop Hawaiian sugarcane will be the same as for the 1961 crop. (See May 24, 1962 Federal Register).
May 22, 1962	A revision of sugar marketing allotments of the mainland quota for Puerto Rico to give effect to the increased quota for Puerto Rico resulting from a proration of the Hawaiian quota deficit. (See May 24, 1962 Federal Register).
May 22, 1962	Signing of commodity agreements with the Governments of Ireland, El Salvador, Colombia, Guatemala, and the United Kingdom (on behalf of the Fiji Islands) in which these countries agree to buy additional U. S. grains and wheat flour not later than Dec. 31 in return for previously announced USDA sugar import authorizations. (cont'd)

Date announcedNature of action

May 22,
1962 (cont'd)

Signing of these agreements permits the release for consumption in the United States of 5,000 short tons of non-quota sugar allocated to each of these five countries, as announced by the Department on April 2 (press release USDA 1235-62) and April 5 (press release USDA 1285-62). The signing was in Washington, D.C. by the U. S. Department of State and representatives of the respective Governments.

This completes the signing of agreements based upon proposals submitted by the governments of these countries pursuant to USDA's announcement of its intentions to authorize importation of some non-quota sugar from countries agreeing to purchase additional U. S. Agricultural products.

May 23,
1962

Marketing allotments revised for domestic beet sugar processors for the six-month period ending June 30, 1962, totaling 20,459,420 hundredweight, refined sugar. This increase in allotments, totaling 587,233 hundredweight, was made to give effect to the increase in the quota to 1,094,579 tons. The revised allotments also reflect the substitution of revised estimated data for earlier data on processings and inventories and the proration of allotment deficits for three processors, totaling 162,514 hundredweight, among other processors able to utilize additional allotments. (See May 26, 1962 Federal Register).

STATISTICAL SERIES IN THIS ISSUEHIGHLIGHTS

1. April 1962 sugar deliveries for continental U. S. consumption, 701,000 short tons, raw value (preliminary), down about 140,000 tons from March 1962 but up 20,000 tons from April 1961. January-April 1962 deliveries 2,755,000 short tons, raw value, up 44,000 tons, or 1.6 percent from same 1961 period. Final data for March 1962 deliveries, 841,000 -- previously published preliminary as 847,000 tons.

2. Primary distributors' stocks April 28, 1962 were 1,709,646 short tons, raw value (preliminary), down 302,000 tons from a year earlier, and down 25,000 tons from end March 1962. During April refiners' stocks increased by about 93,000 tons; beet processors' stocks decreased by about 106,000 tons, importers of direct-consumption sugar stocks by about 2,000 tons, and mainland sugarcane processors' stocks by about 10,000 tons.

3. Charges to 1962 quotas to May 11, 1962 were 2,140,302 short tons, raw value; in addition, 1,317,887 tons of non-quota purchase sugar were authorized for entry, for a total of the two of 3,458,189.

4. Regionally, January-March deliveries, 1962 as compared with 1961, were up to 3 and down to 2 regions: Increases -- Middle Atlantic 4.5 percent, Southern 3.9 percent, New England 1.3 percent; Decreases -- Western 1.6 percent, North Central 1.4 percent.

Table 2. - Sugar supply and disposition by primary distributors, January-March 1962

Short tons, raw value						
Item	Beet	Importers	Main-land cane	Refiners		Net total
	processors		processors ^{1/}	Raw	Refined	
	(1)	(2)	(3)	(4)	(5)	(6)
SUPPLY						
1. <u>Inventory Jan. 1, 1962</u>	1,268,031	62,421	24,971	585,841 ^{2/}	245,440 ^{2/}	2,186,704
2. <u>Production and movement</u>						
a. Received as direct-consumption sugar		59,957				59,957
b. Produced from beets or cane	314,380		142,391	8,919		
Less deliveries to refiners			109,342			356,348 ^{3/}
c. Receipts of raws by refiners				1,216,856 ^{4/}		
Less raws melted				1,541,924		- 325,068 ^{5/}
d. Refined from raws melted					1,529,895	1,529,895
e. Adjustments	537	- 478	- 1,887	8,243	- 2,841	3,574
f. Sub-total	314,917	59,479	31,162	- 307,906	1,527,054	1,624,706
3. <u>Net total supply</u>	1,582,948	121,900	56,133	277,935	1,772,494	3,811,410
DISPOSITION						
4. <u>Distribution for</u>						
a. Quota purposes	464,016	61,599	11,198	416	1,517,182	2,054,411
b. Export		647			10,872	11,519
c. Livestock feed		10,126			603	10,729
d. Sub-total	464,016	72,372	11,198	416	1,528,657	2,076,659
5. <u>Inventory March 31, 1962</u>	1,118,932	49,528	44,935	277,519 ^{6/}	243,837 ^{6/}	1,734,751
6. <u>Total distribution and inventory</u>	1,582,948	121,900	56,133	277,935	1,772,494	3,811,410

^{1/} Establishments that acquire no raw sugar from others for refining. Processor-refiners are included with refiners.

^{2/} Includes Mainland cane sugar not charged to quota: Raws, 36,694; Refined, 29,407; Total, 66,101.

^{3/} Production less deliveries of raw sugar to refiners.

^{4/} Includes 112,302 received from mainland cane processors.

^{5/} Receipts of raw sugar by refiners less melt.

^{6/} Includes mainland cane sugar not charged to quota: Raws, 47,083; Refined, 20,216; Total, 67,299.

Table 3. - Distribution of sugar by primary distributors, January-March 1962 and 1961

Item	1962	1961	Change 1961 to 1962
Short tons, raw value			
Continental United States			
Refiners' raw	416	2,768	- 2,352
Refiners' refined	1,528,657	1,411,927	+ 116,730
Sub-total	1,529,073	1,414,695	+ 114,378
Beet processors' refined	464,016	534,917	- 70,901
Importers' direct consumption	72,372	80,046	- 7,674
Mainland sugarcane processors'	11,198	16,166	- 4,968
Total	2,076,659	2,045,824	+ 30,835
For: Export	11,519	8,473	+ 3,046
Livestock feed	10,729	6,882	+ 3,847
Continental consumption 1/	2,054,411	2,030,469	+ 23,942
Puerto Rico	21,466	22,352	- 886
Hawaii		12,409	

1/ Includes deliveries for United States Military forces at home and abroad.

Table 4. - Stocks of sugar held by primary distributors in the continental United States, March 31, 1962 and 1961

Item	1962	1961	Change 1961 to 1962
Short tons, raw value			
Refiners' raw	277,519	424,081	- 146,562
Refiners' refined	243,837	333,719	- 89,882
Sub-total 1/	521,356	757,800	- 236,444
Beet processors' refined	1,118,932	1,249,885	- 130,953
Importers' direct consumption	49,528	74,822	- 25,294
Mainland sugarcane processors'	44,935	41,513	+ 3,422
Total	1,734,751	2,124,020	- 389,269

1/ Included mainland cane sugar not charged to quota; 1962 - Raws, 47,083; Refined, 20,216; Total, 67,299; 1961 - Raws, 22,959; Refined, 17,433; Total, 40,392.

Table 5. - Distribution of sugar by primary distributors in the continental United States, April and January-April 1962 and 1961

Item	1962 1/	1961
	April	January-April
Short tons, raw value		
Refiners	480,760	2,009,833
Beet processors' refined	191,324	655,340
Importers' direct consumption	24,924	97,296
Mainland sugarcane processors'	4,000 2/	15,198
Total	701,008	2,777,667
For: Export	N. A.	11,519
Livestock feed	N. A.	10,729
Continental consumption 3/	701,008	2,755,419

1/ Preliminary. 2/ Estimated. 3/ Includes deliveries for U. S. military forces at home and abroad.

Table 6. - Stocks of sugar held by primary distributors in the continental United States, April 28, 1962 and April 30, 1961

Item	1962 1/	1961	Change 1961 to 1962
Short tons, raw value			
Refiners' raw	353,730	411,170	- 57,440
Refiners' refined	260,705	346,843	- 86,138
Sub-total	614,435	758,013	- 143,578
Beet processors' refined	1,012,438	1,151,373	- 138,935
Importers' direct consumption	47,773	69,956	- 22,183
Mainland sugarcane processors'	35,000 2/	32,477	+ 2,523
Total	1,709,646	2,011,819	- 302,173

1/ Preliminary. 2/ Estimated.

Table 7. - Mainland sugar: Production and quota charges January-March 1962 and 1961

Item	1962	1961	Change 1961 to 1962
Short tons, raw value			
<u>Production</u>			
Mainland cane	148,842	100,276	+ 48,566
Domestic beet	314,917	286,931	+ 27,986
Total	463,759	387,207	+ 76,552
<u>Quota charges</u>			
Mainland cane:			
Louisiana sugarcane processors			
For further processing	24,250	4,376	+ 19,874
For direct-consumption	5,738	10,185	- 4,447
Louisiana processor-refiners	41,573	40,274	+ 1,299
Florida sugarcane processors	56,119	38,081	+ 18,038
Sub-total	127,680	92,916	+ 34,764
Beet processors	464,016	534,917	- 70,901
Total	591,695	627,833	- 36,137

Table 8. - Sugar receipts of refiners and importers by source of supply 1/ January-March 1962 and 1961

Source of Supply	Raw sugar		Direct-consumption		Total	
	sugar		sugar		Total	
	1962	1961	1962	1961	1962	1961
Short tons, raw value						
<u>Offshore</u>						
<u>Foreign</u>						
Dominican Republic	186,930	246,573	3,745	2,415	190,675	248,989
Mexico	197,753	203,225	94	4,455	197,847	207,680
Peru	145,628	190,951	5,118	2,701	150,746	193,652
Philippines	162,446	379,454	4,219	7,920	166,665	387,374
Other countries	111,946	63,914	9,383	29,903	121,329	93,817
Sub-total	804,703	1,084,117	22,559	47,395	827,262	1,131,512
<u>Domestic</u>						
Hawaii	121,548	170,756			121,548	170,756
Puerto Rico	176,954	135,196	37,398	35,602	214,352	170,798
Virgin Islands	0	0	0	0	0	0
Sub-total	298,502	305,954	37,398	35,602	335,900	341,556
Total offshore	1,103,205	1,390,071	59,957	82,997	1,163,162	1,473,068
Mainland cane area	121,221	61,922			121,221	61,922
Acquired for reprocessing and samples	1,349	1,366			1,349	1,366
Grand total	1,225,775	1,453,359	59,957	82,997	1,285,732	1,536,356

1/ Includes sugar as detailed in Table 9.

Table 9. - Receipts of quota-exempt and over-quota sugar included in Table 8.

Purpose	Refiners		Importers		Total	
	sugar		sugar		Total	
	1962	1961	1962	1961	1962	1961
Short tons, raw value						
For: Export	26,410	14,731	1,505	2,050	27,915	16,781
Livestock feed	805		9,036	2,935	9,841	2,935
Later release:						
Bonded		18,770				18,770
In customs custody				16,460		16,460
Total	27,215	33,501	10,541	21,445	37,756	54,946

Table 10. - Status of 1962 sugar quotas as of May 11, 1962

Area	:	Quota	:	Credits	:	Charge to quota & offset	:	Unfilled balance
	:	including	:	for	:	to drawback of duty 1/	:	
	:	deficits	:	drawback	:		:	
	:	reallocated	:	of	:	Direct-	:	
	:	May 9, 1962	:	duty	:	Total	:	Direct-
						consumption:		consumption
Short tons, raw value								
Domestic Beet		1,094,579				724,000		370,579
Mainland Cane		324,730				165,000		159,730
Hawaii 2/		526,476				276,270	2,178	250,206
Puerto Rico		638,755				408,309 3/	50,741	230,446
Virgin Islands		8,710				-	-	8,710
Republic of the Philippines		490,000				490,000	14,376	-
Other foreign countries		162,538		416		76,723	22,613	86,231
Total		3,245,788		416		2,140,302	89,908	1,105,902
Subject to Section 408 (b) of Act		1,604,212		Allocated:		1,604,212 (For status see Table 12.)		
Total Requirements		4,850,000						
Details of other foreign countries								
Peru		54,259		1		5,092	5,092	49,168
Dominican Republic		48,154		405		29,556	1,869	19,003
Mexico		40,054		7		34,136	7,713	5,925
Nicaragua		7,874		3		2,139	2,139	5,738
Haiti		3,820		-		-	-	3,820
Netherlands		1,970		-		1,970	1,970	0
China		1,901		-		1,901	1,901	0
Panama		1,901		-		1,220	1,220	681
Costa Rica		1,896		-		-	-	1,896
Canada		316		-		316	316	0
United Kingdom		258		-		258	258	0
Belgium		91		-		91	91	0
British Guiana		42		-		42	42	0
Hong Kong		2		-		2	2	0
Total		162,538		416		76,723 5/	22,613	86,231

LIQUID SUGAR 6/

Wine gallons of 72 percent total sugar content

Dominican Republic	415,447	33,233	382,214
British West Indies	150,000	-	150,000

1/ These data include the following: (a) Domestic beet and mainland cane sugar partly estimated, (b) all other sugar entered or authorized as of May 11, 1962. 2/ Despite deficit declared the full quota of 588,968 remains available for Hawaii. 3/ In addition, 231 tons of raw and 21 tons of direct-consumption sugar were brought in for subsequent return to Puerto Rico. 4/ Sugar held in Customs custody pending availability of quota: Belgium 982, Canada 176, Hong Kong 46, Netherlands 2269, and the United Kingdom 1484. Held for quota-exempt purposes, 3,862 from the Dominican Republic. 5/ Under Sec. 212 (1) charges to quota exclude 1 ton from Japan, 10 tons from Sweden, West Germany, Union of South Africa, Paraguay and from each country listed for which charges are shown. 6/ Under Sec. 212 (3) 180 gallons were entered from Australia, 1,519 from France, 315 from Italy, 6,396 from the United Kingdom, 962 from Poland and 657 from West Germany, 150 from Hong Kong and 216 from Switzerland.

Table 11. - Quota-exempt sugar entered under Sections 211 (a) and 212 (4) as of May 11, 1962

Source	For		Total
	Reexport	Feed	
Belgium	-	1,533	1,533
Brazil	939	-	939
Canada	-	274	274
Colombia	-	295	295
Dominican Republic	22,157	8,048	30,205
French West Indies	11,470	-	11,470
Netherlands	294	-	294
United Kingdom	4,029	981	5,010
Union of South Africa	1,344	5,040	6,384
Total	40,233	16,171	56,404

Table 12. - Status of 1962 non-quota purchase sugar as of May 11, 1962

Area	Authorized for Purchase	Authorized for Entry for <u>2/</u>		Total Unfilled Balance
		Further Processing	Direct- Consumption	
Short tons, raw value				
Dominican Republic	431,041	295,116		135,925
Peru	275,739	244,469		31,270
Mexico	358,536	330,122		28,414
Philippines	182,401	182,401		0
Nicaragua	42,126	23,141		18,985
China (Formosa)	52,158	52,158		0
Brazil	80,000	52,359		27,641
British W. Indies and British Guiana	10,514	10,105	409	0
Colombia <u>1/</u>	30,000	24,810		5,190
French West Indies	5,000	5,000		0
El Salvador <u>1/</u>	5,000			5,000
Guatemala <u>1/</u>	5,000			5,000
Costa Rica	8,163			8,163
Panama	3,158		2,569	589
Netherlands	3,100		3,100	0
Fiji Islands <u>1/</u>	5,000			5,000
Ireland	5,000		3,079	1,921
Haiti	1,388		804	584
Belgium	888		888	0
India	100,000	87,357		12,643
Total	1,604,212	1,307,038	10,849	286,325

^{1/} Includes 5,000 each authorized subject to signing of agreements between the respective countries.

^{2/} Charges to purchase allocations exclude first 10 tons from Brazil, Colombia, India, French West Indies and Ireland.

Table 13. - Status of 1962 sugar quotas as of April 30, 1962

Area	Quota	Credits	Charge to quota & offset		Unfilled Balance	
		for	to drawback of duty ^{1/}			
		drawback				
		of		Direct-		Direct-
		duty	Total	consumption	Total	consumption
Short tons, raw value						
Domestic Beet	1,063,162		655,000		408,162	
Mainland Cane	324,730		153,000		171,730	
Hawaii 2/	576,476		230,417		346,059	16,580
Puerto Rico	620,421		344,236 <u>3/</u>	46,899	276,185	24,968
Virgin Islands	8,461		-	-	8,461	-
Republic of the Philippines	490,000	-	482,333	14,414	7,667	7,667
Other foreign countries	162,538	416	67,106	20,715	95,848	15,197
Total	3,245,788	416	1,932,092	82,028	1,314,112	64,412
Subject to Section 408 (b) of Act						
	1,604,212	Allocated:	1,604,212 (For status see Table 15.)			
Total Requirements	4,850,000					
Details of other foreign countries:						
Peru	54,259	1	5,092	5,092	49,168	156
Dominican Republic	48,154	405	21,840	1,872	26,719	2,806 ^{4/}
Mexico	40,054	7	34,136	7,713	5,925	792
Nicaragua	7,874	3	2,139	2,134	5,738	3,465
Haiti	3,820	-	-	-	3,820	3,500
Netherlands	1,970	-	1,970	1,970	0	0 ^{4/}
China	1,901	-	-	-	1,901	1,901
Panama	1,901	-	1,220	1,220	681	681
Costa Rica	1,896	-	-	-	1,896	1,896
Canada	316	-	316	316	0	0 ^{4/}
United Kingdom	258	-	258	258	0	0 ^{4/}
Belgium	91	-	91	91	0	0 ^{4/}
British Guiana	42	-	42	42	0	0
Hong Kong	2	-	2	2	0	0 ^{4/}
Total	162,538	416	67,106 <u>5/</u>	20,715	95,848	15,197

LIQUID SUGAR 6/
Wine gallons of 72 percent total sugar content

Dominican Republic	415,447	33,233	382,214
British West Indies	150,000	-	150,000

1/ These data include the following: (a) Domestic beet and Mainland cane sugar partly estimated, (b) all other sugar entered or authorized as of April 30, 1962. 2/ Despite deficit declared, the full quota of 588,968 remains available for Hawaii. 3/ In addition, 231 tons of raw and 21 tons of direct-consumption sugar were brought in for subsequent return to Puerto Rico. 4/ Sugar held in Customs custody pending availability of quota: Belgium, 982, Canada 176, Hong Kong 44, Netherlands 2269, and the United Kingdom 1516. Held for quota-exempt purposes, 3862 from the Dominican Republic. 5/ Under Sec. 212 (1) charges to quota exclude 1 ton from Japan, 6 tons from Sweden, 10 tons from West Germany, Union of South Africa, Paraguay and from each country listed for which charges are shown. 6/ Under Sec. 212 (3) 180 gallons were entered from Australia, 1,299 from France, 315 from Italy, 4,545 from the United Kingdom, 962 from Poland and 601 from West Germany, 150 from Hong Kong and 216 from Switzerland.

Table 14. - Quota-exempt sugar entered under Sections 211 (a) and 212 (4) as of April 30, 1962

Source	For		Total
	Reexport	Feed	
Belgium	-	1,534	1,534
Brazil	939	-	939
Canada	-	274	274
Colombia	-	295	295
Dominican Republic	19,765	7,208	26,964
French West Indies	11,470	-	11,470
Netherlands	294	-	294
United Kingdom	4,029	949	4,978
Union of South Africa	1,344	4,955	6,299
Total	37,832	15,215	53,047

Table 15. - Status of 1962 non-quota purchase sugar as of April 30, 1962.

Area	Authorized	Authorized for Entry for <u>2/</u>		Total Unfilled Balance
	for Purchase	Further Processing	Direct- Consumption	
Short tons, raw value				
Dominican Republic	431,041	282,856		148,185
Peru	275,739	213,157		62,582
Mexico	358,536	288,200		70,336
Philippines	182,401	182,401		0
Nicaragua	42,126	19,732		22,394
China (Formosa)	52,158	48,185		3,973
Brazil	80,000	29,585		50,415
British West Indies and British Guiana	10,514		409	10,105
Colombia <u>1/</u>	30,000	14,880		15,120
French West Indies	5,000	5,000		0
El Salvador <u>1/</u>	5,000			5,000
Guatemala <u>1/</u>	5,000			5,000
Costa Rica	8,163			8,163
Panama	3,158		2,569	589
Netherlands	3,100		3,100	0
Fiji Islands <u>1/</u>	5,000			5,000
Ireland <u>1/</u>	5,000			5,000
Haiti	1,388		804	584
Belgium	888		888	0
India	100,000	49,003		50,997
Total	1,604,212	1,132,999	7,770	463,443

1/ Includes 5,000 each authorized subject to signing of agreements between the respective countries.

2/ Charges to purchase allocations exclude the first 10 tons from Brazil, Colombia, India, French West Indies and Ireland.

Table 16. - Primary distribution of sugar, continental United States, by States, March 1962

State and region	Cane sugar refiners	Beet sugar processors	Importers of direct- consumption sugar	Mainland cane sugar mills	Total
Hundredweights ^{1/}					
New England					
Connecticut	130,377		1,100	250	131,727
Maine	63,770				63,770
Massachusetts	503,472		2,100	200	505,772
New Hampshire	32,019				32,019
Rhode Island	48,255		1,600		49,855
Vermont	35,617		3,400		39,017
Sub-total	813,510		8,200	450	822,160
Mid-Atlantic					
New Jersey	548,949		67,764		616,713
New York	1,713,179	46,703	101,839	4,335	1,866,056
Pennsylvania	1,072,671	3,872	92,940		1,169,483
Sub-total	3,334,799	50,575	262,543	4,335	3,652,252
North Central					
Illinois	843,035	818,358		18,058	1,679,451
Indiana	296,188	102,922	356		399,466
Iowa	38,686	134,849		1,000	174,535
Kansas	31,560	89,378		300	121,238
Michigan	328,117	295,029			623,146
Minnesota	29,943	187,962		25	217,930
Missouri	238,380	142,890		1,640	382,910
Nebraska	18,631	101,782			120,413
North Dakota	313	29,753			30,066
Ohio	621,328	103,088	2,224		726,640
South Dakota	1,955	37,423			39,378
Wisconsin	114,091	216,103			330,194
Sub-total	2,562,227	2,259,537	2,580	21,023	4,845,367
Southern					
Alabama	222,461		3,000		225,461
Arkansas	84,664	21,000		20	105,684
Delaware	23,904		170		24,074
District of Columbia	36,768		5,091		41,859
Florida	328,417		58,278	35,889	422,584
Georgia	532,663		5,616		538,279
Kentucky	204,908			800	205,708
Louisiana	322,234		- 8	4,120	326,346
Maryland	336,682		32,178		368,860
Mississippi	132,923			2,013	134,936
North Carolina	371,902		15,439		387,341
Oklahoma	100,373	25,667			126,040
South Carolina	208,048		1,735		209,783
Tennessee	286,640		1,300	12,950	300,890
Texas	602,257	129,664	1,677		733,598
Virginia	244,969	1,000	52,776		298,745
West Virginia	81,551		1,980		83,531
Sub-total	4,121,364	177,331	179,232	55,792	4,533,719
Western					
Alaska	1,923	1,930			3,853
Arizona	39,108	21,654	75		60,837
California	626,497	726,392	8,556		1,361,445
Colorado	8,177	99,520			107,697
Idaho	5,207	15,698			20,905
Montana	3,369	31,985			35,354
Nevada	5,996	3,142			9,138
New Mexico	7,250	15,709			22,959
Oregon	47,097	55,605			102,702
Utah	5,041	36,565			41,606
Washington	55,496	106,329			161,825
Wyoming	434	7,318			7,752
Sub-total	805,595	1,121,847	8,631		1,936,073
Grand total	11,637,495	3,609,290	461,186	81,600	15,789,571

1/ Reported as produced or imported and delivered except liquid sugar which is on a sugar solids content basis.

Table 17. - Primary distribution of sugar, continental United States, by States, January-March 1962

State and region	Cane sugar refiners	Beet sugar processors	Importers of direct- consumption sugar	Mainland cane sugar mills	Total
Hundredweights $\frac{1}{100}$					
New England					
Connecticut	311,867		2,150	450	314,467
Maine	150,112		300		150,412
Massachusetts	1,224,371		11,821	400	1,236,592
New Hampshire	83,336				83,336
Rhode Island	114,088		6,400		120,488
Vermont	60,973		21,037		82,010
Sub-total	1,944,747		41,708	850	1,987,305
Mid-Atlantic					
New Jersey	1,678,264		154,618		1,832,882
New York	4,044,989	111,993	190,655	4,335	4,351,972
Pennsylvania	2,686,408	10,012	238,330		2,934,750
Sub-total	8,409,661	122,005	583,603	4,335	9,119,604
North Central					
Illinois	1,996,660	2,170,780		25,631	4,193,071
Indiana	700,384	264,380	1,121		965,885
Iowa	105,396	318,629		6,420	430,445
Kansas	88,756	196,232		900	285,888
Michigan	738,532	676,902	4,400	600	1,420,434
Minnesota	83,802	373,873		1,025	458,700
Missouri	563,292	394,673		7,305	965,270
Nebraska	50,064	257,764		1,200	309,028
North Dakota	372	63,351			63,723
Ohio	1,525,212	281,171	2,564		1,808,947
South Dakota	5,419	91,158			96,577
Wisconsin	253,725	465,032		5,200	723,957
Sub-total	6,111,614	5,553,945	8,085	48,281	11,721,925
Southern					
Alabama	577,205		16,000	1,000	594,205
Arkansas	233,300	22,762		20	256,082
Delaware	63,898		2,240		66,138
District of Columbia	87,390		13,941		101,331
Florida	719,330		196,171	91,872	1,007,373
Georgia	1,317,176		7,824	10,230	1,335,230
Kentucky	526,467		1,660	2,400	530,527
Louisiana	841,641		600	27,257	869,498
Maryland	600,240		88,070		688,310
Mississippi	356,461			5,069	361,530
North Carolina	885,415		42,025	440	927,880
Oklahoma	268,862	59,123			327,985
South Carolina	445,384		11,672		457,056
Tennessee	709,907		1,950	13,350	725,207
Texas	1,587,079	313,181	4,431	810	1,905,501
Virginia	517,319	2,800	117,589		637,708
West Virginia	179,875	5,462	3,980		189,317
Sub-total	10,116,949	403,328	508,153	152,448	11,180,878
Western					
Alaska	7,462	3,566			11,028
Arizona	101,863	57,410	75		159,348
California	1,475,818	1,530,504	8,556	1,000	3,015,878
Colorado	19,180	235,207			254,387
Idaho	12,963	54,735			67,698
Montana	8,004	70,860			78,864
Nevada	17,033	10,766			27,799
New Mexico	22,067	41,884			63,951
Oregon	121,258	156,828			278,086
Utah	16,716	116,211			132,927
Washington	146,694	287,818			434,512
Wyoming	1,607	18,015			19,622
Sub-total	1,950,665	2,583,804	8,631	1,000	4,544,100
Grand total	28,533,636	8,663,082	1,150,180	206,914	38,553,812

1/ Reported as produced or imported and delivered except liquid sugar which is on a sugar solids content basis.

Table 18.- Primary distribution of sugar, continental United States, by States, January-March 1962 and 1961

State and region	Cane sugar refiners		Beet processors		Total all Primary Distributors ^{2/}	
	1962	1961	1962	1961	1962	1961
Thousands of hundredweights ^{1/}						
New England						
Connecticut	312	296			314	308
Maine	150	153			150	153
Massachusetts	1,225	1,212			1,237	1,224
New Hampshire	83	76			83	76
Rhode Island	114	120			121	126
Vermont	61	74			82	75
Sub-total	1,945	1,931			1,987	1,952
Mid-Atlantic						
New Jersey	1,678	1,724			1,833	1,843
New York	4,045	3,701	112	127	4,352	4,034
Pennsylvania	2,687	2,421	10	136	2,935	2,848
Sub-total	8,410	7,846	122	263	9,120	8,725
North Central						
Illinois	1,997	1,727	2,171	2,288	4,193	4,110
Indiana	700	683	264	271	966	956
Iowa	105	133	319	343	430	488
Kansas	89	99	196	196	286	295
Michigan	739	574	677	867	1,420	1,447
Minnesota	84	77	374	422	459	502
Missouri	563	520	395	463	965	992
Nebraska	50	51	258	284	309	336
North Dakota	*	1	63	53	64	54
Ohio	1,525	1,301	281	555	1,809	1,861
South Dakota	5	6	91	109	97	115
Wisconsin	254	263	465	461	724	729
Sub-total	6,111	5,435	5,554	6,312	11,722	11,885
Southern						
Alabama	577	584			594	596
Arkansas	233	221	23	20	256	241
Delaware	64	58			66	62
District of Columbia	88	90			101	108
Florida	719	563			1,007	904
Georgia	1,317	1,268			1,335	1,296
Kentucky	526	512		3	531	529
Louisiana	842	850			870	868
Maryland	800	786			888	857
Mississippi	357	344			362	347
North Carolina	886	702			928	855
Oklahoma	269	254	59	74	328	329
South Carolina	445	369			457	381
Tennessee	710	700		9	725	740
Texas	1,587	1,554	313	278	1,906	1,841
Virginia	517	489	3	35	638	632
West Virginia	180	169	5	5	189	179
Sub-total	10,117	9,513	403	424	11,181	10,765
Western						
Alaska	7	10	4	5	11	15
Arizona	102	90	57	50	159	140
California	1,476	1,306	1,530	1,757	3,015	3,082
Colorado	19	18	235	212	254	230
Idaho	13	10	55	53	68	63
Montana	8	5	71	67	79	72
Nevada	17	14	11	10	28	24
New Mexico	22	26	42	53	64	79
Oregon	121	123	157	158	278	284
Utah	17	16	116	116	133	132
Washington	147	131	288	294	435	453
Wyoming	2	2	18	21	20	23
Sub-total	1,951	1,751	2,584	2,796	4,544	4,597
Grand total	28,534	26,476	8,663	9,795	38,554	37,934

1/ Reported as produced or imported and delivered except liquid sugar which is on a sugar solids content basis.

2/ Includes deliveries by importers of direct-consumption sugar and mainland cane sugar mills.

* Less than 500 hundredweights.

Table 19. - Sugar prices

Table 17. - Sugar prices						
Year and Month	: Raw cane sugar-spot prices :		Quota	Refined Beet Sugar - Quoted		
	: Domestic :		Premiums ^{3/} :	Wholesale (Gross) ^{4/}		
	: Sugar at N.Y. :	"World" :	and :	: Chicago :	Pacific	
	: Duty paid ^{1/} :	Sugar ^{2/} :	Discounts :	Eastern :	West :	Coast
Cents per pound						
1957-61 Monthly Average	6.27	3.53	+1.82	8.62	8.67	9.01
1960 Monthly Average	6.30	3.14	+2.21	8.79	8.77	8.96
1961 Monthly Average	6.30	2.91	+2.45	8.36	8.59	8.84
1961						
May	6.46	3.35	+2.18	8.25	8.61	8.80
June	6.48	3.20	+2.33	8.35	8.75	8.80
July	6.39	3.05	+2.38	8.35	8.42	8.80
August	6.06	2.80	+2.29	8.35	8.40	8.80
September	6.06	2.69	+2.41	8.35	8.40	8.80
October	6.19	2.73	+2.50	8.35	8.40	8.80
November	6.29	2.53	+2.80	8.48	8.53	8.80
December	6.40	2.46	+2.98	8.55	8.72	8.80
1962						
January	6.45	2.30	+3.23	8.95	8.80	8.80
February	6.37	2.36	+3.10	8.95	8.80	8.80
March	6.43	2.65	+2.89	8.95	8.80	8.80
April	6.43	2.69	+2.66	9.02	8.96	9.00
Last 12-Month Average	6.33	2.73	+2.66	8.58	8.63	8.82

Year and Month	: Refined Cane Sugar - Quoted Wholesale (Gross) ^{4/} :						Refined
	: North : South :						Retail
	: East :	East :	Gulf :	Chicago :	Pacific :	U. S.	
	: East :	East :	Gulf :	West :	Coast :	Average	
Cents per pound							
1959-61 Monthly Average	9.32	9.19	9.18	8.86	9.05	11.43	
1960 Monthly Average	9.43	9.40	9.39	8.97	8.96	11.63	
1961 Monthly Average	9.40	9.25	9.23	8.76	8.84	11.77	
1961							
May	9.41	9.31	9.42	8.81	8.80	11.84	
June	9.55	9.45	9.25	8.95	8.80	11.82	
July	9.40	9.41	9.07	8.66	8.80	11.78	
August	9.36	9.20	9.00	8.60	8.80	11.74	
September	9.30	9.10	9.00	8.60	8.80	11.64	
October	9.19	9.05	9.00	8.60	8.80	11.68	
November	9.19	9.00	9.00	8.73	8.80	11.62	
December	9.30	9.00	9.00	8.90	8.80	11.62	
1962							
January	9.37	9.06	9.00	9.00	8.80	11.62	
February	9.50	9.10	9.00	9.00	8.80	11.70	
March	9.50	9.10	9.00	9.00	8.80	11.68	
April	9.60	9.20	9.10	9.16	9.00		
Last 12-Month Average	9.39	9.16	9.07	8.83	8.82	11.70 ^{5/}	

^{1/} Spot prices during 1956-60 were for sugar in bags under Contract No. 6 plus .50 cent per pound duty (Cuban). Beginning with 1961, spot prices are for bulk sugar under Contract No. 7, the terms of which are duty paid or duty free.

^{2/} Spot prices during 1956-60 based on No. 4 Contract which was for bagged sugar F.A.S. Cuba. Beginning with 1961 spot prices are those under No. 8 Contract which is also for bagged sugar but F.O.B. and stowed at Greater Caribbean ports (including Brazil).

^{3/} For 1956-1960 these amounts are the difference between the spot prices of the No. 6 "Domestic" Contract rolled back to Cuba (minus freight and insurance) and the spot prices of the No. 4 "World" Contract. Beginning with 1961 the No. 7 "Domestic Bulk" Contract has been adjusted by deducting duty (.625¢) computed freight, insurance and unloading charges, and adding the bag allowance (currently .04¢) before calculating the differential from No. 8 "World" Contract spot prices.

^{4/} These are basis prices in 100 pound paper bags, NOT delivered prices. To obtain delivered prices add "Freight Prepay" and deduct discounts and allowances. For illustration see Sugar Reports 81, January 1959, pages 5 to 9.

^{5/} 11-Month Average.

Table 20. - Refined sugar production and month-end stocks

Year and month	Production		Month-end Stocks ^{1/}	
	Cane sugar	Beet	Cane sugar	Beet
	refiners	Processors	refiners	processors
1,000 short tons, raw value				
1957-61 monthly average	529	189	297	861
1960 monthly average	542	203	312	915
1961 monthly average	553	198	292	932
<u>1961</u>				
May	636	55	274	991
June	573	45	303	786
July	579	44	306	562
August	685	93	312	362
September	580	106	256	211
October	554	585	256	586
November	570	614	257	988
December	511	474	245	1,268
<u>1962</u>				
January	519	247	296	1,377
February	447	54	302	1,298
March	561	14	244	1,119
April ^{2/}	500	77	261	1,012
Last 12-month average	560	201	276	880

^{1/} Includes over-quota and quota exempt sugar.^{2/} Preliminary.

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Stabilization and Conservation Service
Sugar Division
Washington 25, D. C.

POSTAGE AND FEES PAID

OFFICIAL BUSINESS